BERGRIVIER MUNICIPALITY

ANNUAL FINANCIAL STATEMENTS

for the year ended

30 June 2008

I am responsible for the preparation of these annual financial statements, which are set out on pages 1 to 31, in terms of Section 126(1) of the Municipal Finance Management Act and which I have signed on behalf of the Municipality.

I certify that the salaries, allowances and benefits of Councillors as disclosed in note 24 of these annual financial statements are within the upper limits of the framework envisaged in Section 219 of the Constitution, read with the Remuneration of Public Officer Bearers Act and the Minister of Provincial and Local Government's determination in accordance with this Act. Payments occur in accordance with the determination of the MEC for Local Government.

D P Daniels

D P Daniels
Acting Municipal Manager

3-Sep-08

Date

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BERGRIVIER MUNICIPALITY

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

GENERAL INFORMATION

Nature of Business	Bergrivier Municipality is a local municipality performing the functions as set out in the Constitution.(Act no 105 of 1996)
Country of Origin and Legal Form	South African local municipality as defined by the Municipal Structures Act (Act no 117 of 1998)
Management	- Acting Municipal Manager : D P Daniels - Chief Financial Officer : J A van Niekerk - Director: Administration : J D Joubert - Director: Technical Services : A J Willemse - Director: Social Services : D Lambrechts
Principal Bankers	ABSA
Auditors	Office of the Auditor General (WC) : Conrtracted to Deloitte & Touche
Attorneys	De Villiers Van Zyl Britz en Pretoruis Swemmer & Levin
Registered Office	P.O.Box 60 PIKETBERG 7320
Relevant Legislation	Municipal Finance Management Act (Act no 56 of 2003) Division of Revenue Act The Income Tax Act Value Added Tax Act Municipal Structures Act (Act no 117 of 1998) Municipal Systems Act (Act no 32 of 2000) Municipal Planning and Performance Management Regulations Water Services Act (Act no 108 of 1997) Housing Act (Act no 107 of 1997) Municipal Property Rates Act (Act no 6 of 2004) Electricity Act (Act no 41 of 1987) Skills Development Levies Act (Act no 9 of 1999) Employment Equity Act (Act no 55 of 1998) Unemployment Insurance Act (Act no 30 of 1966) Basic Conditions of Employment Act (Act no 75 of 1997) Supply Chain Management Regulations, 2005 Collective Agreements Infrastructure Grants SALBC Leave Collective Agreement

BERGRIVIER MUNICIPALITY
STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2008

	Note	2008 R	2007 R
NET ASSETS AND LIABILITIES			
Net assets		**137,734,985**	**129,155,962**
Housing Development Fund	2	2,434,152	2,434,152
Capital replacement reserve	3	11,781,906	16,348,317
Capitalisation reserve	3	14,052,607	16,146,301
Government grant reserve	3	48,840,311	44,973,042
Accumulated Surplus/(Deficit)		59,626,010	49,254,150
Non-current liabilities		**18,579,494**	**15,416,673**
Long-term liabilities	4	16,117,827	14,555,054
Non-current provisions	5	2,461,668	861,619
Current liabilities		**26,339,810**	**22,188,160**
Consumer deposits	6	1,766,061	1,621,823
Provisions	7	1,304,745	1,281,791
Trade payables	8	9,482,572	10,714,765
Unspent conditional grants and receipts	9	7,175,388	5,214,611
Taxes	10	1,751,077	1,901,996
Cash and cash equivalents	16	2,964,269	-
Current portion of long-term liabilities	4	1,895,699	1,453,174
Total Net Assets and Liabilities		**182,654,290**	**166,760,795**
ASSETS			
Non-current assets		**121,510,492**	**110,349,468**
Property, plant and equipment	11	120,609,817	109,326,573
Intangible Assets	11	-	-
Long-term receivables	12	900,674	1,022,895
Current assets		**61,143,799**	**56,411,327**
Inventory	13	265,389	184,692
Trade receivables from exchange transactions	14	12,540,376	10,837,402
Other receivables from non-exchange transactions	15	12,409,124	6,312,581
Unpaid conditional grants and receipts	9	-	2,167,058
Current portion of long-term receivables	12	162,418	171,447
Cash and cash equivalents	16	35,766,490	36,737,947
Total Assets		**182,654,290**	**166,760,795**

BERGRIVIER MUNICIPALITY

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2008

	Note	Actual 2008 R	2007 R
REVENUE			
Revenue from Non-exchange Transactions		**48,692,082**	**36,360,835**
Taxation revenue		**21,145,965**	**19,313,801**
Property rates	17	21,145,965	19,313,801
Transfer revenue		**24,716,560**	**16,329,376**
Government grants and subsidies	19	24,716,560	16,329,376
Other revenue		**829,557**	**717,658**
Fines	App "E (1)"	829,557	717,658
Revenue from Exchange Transactions		**60,505,178**	**54,071,187**
Property rates - penalties imposed and collection charges	App "E (1)"	-	-
Service charges	18	45,284,276	43,325,806
Rental of facilities and equipment	App "E (1)"	2,060,581	2,032,451
Interest earned - external investments	App "E (1)"	4,162,345	2,965,240
Interest earned - outstanding debtors	App "E (1)"	1,958,468	1,448,908
Licences and permits	App "E (1)"	1,116,855	716,348
Income for agency services	App "E (1)"	1,002,904	817,163
Other income	20	4,919,839	2,765,271
Total Revenue		**107,197,260**	**90,432,022**
EXPENDITURE			
Employee related costs	21	36,249,819	32,764,113
Remuneration of Councillors	22	2,681,642	2,634,796
Bad debts	14	1,363,400	604,888
Depreciation	11	7,514,182	6,878,983
Amortisation - Intangible Assets	11	-	-
Repairs and maintenance		4,855,999	2,516,811
Interest paid	24	1,973,553	1,750,021
Bulk purchases	25	18,467,893	17,084,146
Grants and subsidies paid	26	-	2,619,439
Operating Grant Expenditure	App "F"	7,785,905	-
General expenses	27	17,842,353	14,658,156
Total Expenditure		**98,934,845**	**81,611,353**
Surplus for the year		8,262,415	8,820,669
Loss on disposal of property, plant and equipment	30	-	-
Gain on disposal of property, plant and equipment	30	316,609	1,453,934
NET SURPLUS/(DEFICIT) FOR THE YEAR		**8,579,023**	**10,274,603**

Refer to Appendix E(1) for explanation of variances

BERGRIVIER MUNICIPALITY

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2008

	Pre-GAMAP Reserves and Funds	Housing Development Fund	Capital Replacement Reserve	Capitalisation Reserve	Government Grant Reserve	Accumulated Surplus/ (Deficit)	Total
	R	R	R	R	R	R	R
2007							
Balance at 30 June 2006	0	2,567,837	20,000,000	17,908,145	41,963,930	36,441,447	118,881,359
Restated balance	0	2,567,837	20,000,000	17,908,145	41,963,930	36,441,447	118,881,359
Net surplus/(deficit) for the year	0	0	0	0	0	10,274,603	10,274,603
Transfer to/from CRR	0		3,563,992	0	0	(3,563,992)	0
Property, plant and equipment purchased	0		(7,215,675)	0	0	7,215,675	0
Capital grants used to purchase PPE	0	0	0	0	5,420,081	(5,420,081)	0
Transfer to Housing Development Fund	0	(133,685)	0	0	0	133,685	0
Offsetting of depreciation	0	0	0	(1,761,844)	(2,410,969)	4,172,813	0
Balance at 30 June 2007	0	2,434,152	16,348,317	16,146,301	44,973,042	49,254,150	129,155,962
2008							
Correction of error - Note 29.3	0	0	0	0	0	0	0
Restated balance	0	2,434,152	16,348,317	16,146,301	44,973,042	49,254,150	129,155,962
Net surplus/(deficit) for the year	0	0	0	0	0	8,579,023	8,579,023
Transfer to/from CRR	0	0	3,447,690	0	0	(3,447,690)	0
Property, plant and equipment purchased	0	0	(8,014,102)	0	0	8,014,102	0
Capital grants used to purchase PPE	0	0	0	0	7,595,335	(7,595,335)	0
Transfer to Housing Development Fund	0	0	0	0	0	0	0
Asset Disposals	0	0	0	(469,884)	(75,928)	545,812	0
Offsetting of depreciation - Intangible Assets	0	0	0	(1,624,010)	(2,652,139)	4,276,149	0
Balance at 30 June 2008	0	2,434,152	11,781,905	14,052,407	49,840,311	59,626,010	137,734,985

BERGRIVIER MUNICIPALITY

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2008

	Note	2008 R	2007 R
CASH FLOW FROM OPERATING ACTIVITIES			
Cash receipts from ratepayers, government and other	30	92,892,285	
Cash paid to suppliers and employees	30	(90,679,304)	
Cash generated from/(utilised in) operations	30	2,506,635	18,760,643
Interest received	30	4,162,345	4,414,148
Interest paid	30	(1,973,553)	(1,750,021)
NET CASH FROM OPERATING ACTIVITIES		**4,695,428**	**21,424,770**
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment	11	(19,450,517)	(16,772,105)
Proceeds on disposal of fixed assets	11	881,390	1,453,934
(Increase)/Decrease in Intangible Assets	11	-	-
(Increase)/Decrease in long-term receivables	12	131,249	379,345
NET CASH FROM INVESTING ACTIVITIES		**(18,437,877)**	**(14,938,826)**
CASH FLOWS FROM FINANCING ACTIVITIES			
New loans raised/(repaid)	4	2,005,298	4,030,370
Increase/(Decrease) in consumer deposits	6	144,238	138,573
NET CASH FROM FINANCING ACTIVITIES		**2,149,536**	**4,168,943**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		**(11,592,913)**	**10,654,887**
Cash and cash equivalents at the beginning of the year	31	36,737,947	26,083,060
Cash and cash equivalents at the end of the year	31	32,802,222	36,737,947
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		**(3,935,725)**	**10,654,887**

BERGRIVIER MUNICIPALITY

ACCOUNTING POLICY

ACCOUNTING POLICY

1. Summary of significant accounting policies for the year ended 30 June 2007

The principal accounting policies applied in the preparation of these financial statements are set out below and are consistent with those applied in the previous year unless otherwise stated.

1.1 Basis of preparation

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practices (GRAP) and the Standards of Generally Accepted Municipal Accounting Practices (GAMAP) prescribed by the Minister of Finance in terms of General Notice 991 and 992 of 2005.

The standards are summarised as follows:

GRAP 1	Presentation of Financial Statements
GRAP 2	Cash Flow Statements
GRAP 3	Accounting Policies, Changes in Accounting Estimates and Errors
GAMAP 4	The Effects of Changes in Foreign Exchange Rates
GAMAP 6	Consolidated financial statements and accounting for controlled entities
GAMAP 7	Accounting for Investments in Associates
GAMAP 8	Financial Reporting of Interests in Joint Ventures
GAMAP 9	Revenue
GAMAP 12	Inventories
GAMAP 17	Property, Plant and Equipment
GAMAP 19	Provisions, Contingent Liabilities and Contingent Asset
GAMAP 6, 7 and 8 have been complied with to the extent that the requirements in these standards relate to the municipality's separate financial statements.[1]	

Accounting policies for material transactions, events or conditions not covered by the above GRAP and GAMAP Standards have been developed in accordance with paragraphs 7, 11 and 12 of GRAP 3. These accounting policies and the applicable disclosures have been based on the South African Statements of Generally Accepted Accounting Practices (SA GAAP) including any interpretations of such Statements issued by the Accounting Practices Board.

The Minister of Finance has, in terms of General notice 552 of 2007 exempted compliance with certain of the above mentioned standards and aspects or parts of these standards. Details of the exemptions applicable to the municipality have been provided in the notes to the annual financial statements.

A summary of the significant accounting policies, which have been consistently applied except where an exemption has been granted, are disclosed below.

The Minister of Finance has, in terms of General notice 552 of 2007 exempted compliance with the following requirements of GAMAP 3 (Accounting Policies, Changes of Accounting Estimates and Errors):

- *Identification and impact of GRAP standards that have been issued but are not yet effective and changes to accounting policies. [Paragraphs 14, 19 and 30-31]*

The Minister of Finance has, in terms of General notice 552 of 2007 exempted compliance with the following requirements of AC 142 (Non-current Assets held for Sale and Discontinued Operations):

- *Classification, measurement and disclosure of non-current assets held for sale. [paragraphs 6-14, 15-29 (in so far as it relates to non-current assets held for sale), 38-42]*

The Minister of Finance has, in terms of General notice 552 of 2007 exempted compliance with AC 109 (Construction Contracts) in its entirety.

The Minister of Finance has, in terms of General notice 552 of 2007 exempted compliance with AC 140 (Business Combinations) in its entirety.

1.2 Presentation currency

These annual financial statements are presented in South African Rand.

1.3 Going concern assumption

These annual financial statements are prepared on the basis that the municipality will remain a going concern for the foreseeable future.

1.4 Segmental reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment that are subject to risks and returns that are different from those of segments operating in other economic environments.

The Minister of Finance has, in terms of General notice 552 of 2007 exempted compliance with AC 115 (Segment Reporting) and AC 146 (Operating Segments).

1.5 Foreign currency transactions

The Municipality will not incur a foreign currency liability other than that allowed by the MFMA.

1.6 Housing Development Fund

The Housing Development Fund was established in terms of Section 15(5) and 16 of the Housing Act, (Act 107 of 1997), which came into operation on 1 April 1998, requires that the municipality maintain a separate housing operating account. Loans form National and Provincial Government used to finance housing developments undertaken by the Municipality were extinguished on 1 April 1998 and transferred to the Housing Development Fund.

The Housing Act also requires in terms of Section 14(4)(d)(ii)(aa) read with, *inter alia*, Section 16(2) that the net proceeds of any rental, sale of property or alienation, financed previously from government housing funds, be paid into a separate operating account and be utilised by the Municipality for housing development subject to the approval of the Provincial MEC responsible for housing.

The following provisions are set for the creation and utilisation of the Housing Fund:

- The proceeds in this fund are utilised for housing developments in accordance with the National Housing Policy and also for housing development projects approved by the MEC.
- Any contributions to or from the fund are shown as transfers in the Statement of Changes in Net Assets.
- Any surplus / (deficit) on the Housing Statement of Financial Performance must be transferred to the Housing Development Fund.

1.7 Reserves

1.7.1 Capital Replacement Reserve (CRR)

In order to finance the future provision of infrastructure and other items of property, plant and equipment from internal sources amounts are transferred out of the accumulated surplus/(deficit) into the Capital Replacement Reserve (CRR) in terms of a Council resolution. The cash allocated to the CRR can only be utilised to finance items of property, plant and equipment. The following provisions are set for the creation and utilisation of the CRR:

- The cash which backs up the CRR is invested until it is utilised. The cash may only be invested in accordance with the investment policy of the municipality.
- Interest earned on the CRR investment is recorded as part of total interest earned in the Statement of Financial Performance. 50% of the total interest earned on all the investments of the municipality is transferred to the CRR.
- The CRR may only be utilised for the purpose of purchasing items of property, plant and equipment for the municipality and may not be used for the maintenance of these items.

- The proceeds from the disposal of property, plant and equipment must be transferred to the CRR.
- The CRR is reduced and the accumulated surplus/(deficit) credited with corresponding amounts when the funds are utilised.
- The amounts transferred to the CRR are based on the Municipality's need to finance future capital projects.
- The Council annually contributes 7,5% of the total rates accrual for the previous financial year in the next financial year to the CRR

1.7.2 Capitalisation Reserve

On the implementation of GAMAP/GRAP, the balance on certain funds, created in terms of the various Provincial Ordinances applicable at the time, that had historically been utilised for the acquisition of items of property, plant and equipment have been transferred to a Capitalisation Reserve instead of the accumulated surplus/(deficit) in terms of a directive (budget circular) issued by National Treasury.

The balance on the Capitalisation Reserve equals the carrying value of the items of property, plant and equipment financed from the former legislated funds. When items of property, plant and equipment are depreciated, a transfer is made from the Capitalisation Reserve to the accumulated surplus/(deficit).

When an item of property, plant and equipment is disposed, the balance in the Capitalisation Reserve relating to such item is transferred to the accumulated surplus/(deficit).

1.7.3 Government Grant Reserve

When items of property, plant and equipment are financed from government grants, a transfer is made from the accumulated surplus/(deficit) to the Government Grants Reserve equal to the Government Grant recorded as revenue in the Statement of Financial Performance in accordance with a directive (budget circular) issued by National Treasury. When such items of property, plant and equipment are depreciated, a transfer is made from the Government Grant Reserve to the accumulated surplus/(deficit). The purpose of this policy is to promote community equity and facilitate budgetary control by ensuring that sufficient funds are set aside to offset the depreciation charges that will be incurred over the estimated useful life of the item of property, plant and equipment financed from Government Grants.

When an item of property, plant and equipment financed from government grants is disposed, the balance in the Government Grant Reserve relating to such item is transferred to the accumulated surplus/(deficit).

1.7.4 Public Contributions and Donations Reserve

When items of property, plant and equipment are financed from public contributions and donations, a transfer is made from the accumulated surplus/(deficit) to the Public Contributions and Donations Reserve equal to the Public Contributions and Donations Reserve recorded as revenue in the Statement of Financial Performance in accordance with a directive (budget circular) issued by National Treasury. When such items of property, plant and equipment are depreciated, a transfer is made from the Public Contributions and Donations Reserve to the accumulated surplus/(deficit). The purpose of this policy is to promote community equity and facilitate budgetary control by ensuring that sufficient funds are set aside to offset the depreciation charges that will be incurred over the estimated useful life of the item of property, plant and equipment financed from Public Contributions and Donations.

When an item of property, plant and equipment financed from Public Contributions is disposed, the balance in the Public Contributions and Donations Reserve relating to such item is transferred to the accumulated surplus/(deficit).

1.7.5 Revaluation Reserve

The surplus arising from the revaluation of land and buildings is credited to a non-distributable reserve. Land and buildings are revalued every four years. The revaluation surplus is realised as revalued buildings are depreciated, through a transfer from the revaluation reserve to the accumulated surplus/(deficit). On disposal the net revaluation surplus is transferred to the

accumulated surplus/(deficit) while gains or losses on disposal, based on current values, are credited or charged to the Statement of Financial Performance.

1.8 Financial Instruments

Financial instruments carried in the Statement of Financial Position include cash and cash equivalents, investments, accounts receivable, accounts payable and borrowings. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

Financial assets are derecognized when the contractual rights to the cash flows from the financial assets expire or have been transferred and the Municipality has transferred substantially all risks and rewards of ownership. Financial liabilities are derecognized when it is extinguished, i.e. when the contractual right is discharged, cancelled or expires.

The Minister of Finance has, in terms of General notice 552 of 2007 exempted compliance with AC 144 (Financial Instruments: Disclosure). For AC 133 (Financial Instruments: Recognition and Measurement) the initial measurement of financial assets and liabilities at fair value is exempted. [SAICA Circular 09/06 paragraphs 43, AG 79, AG 64 and AG 65 of AC 133]

1.9 Leases

1.9.1 Lessee Accounting

Amounts held under finance leases are initially recognised as assets of the Municipality at their fair value at the inception of the lease or, if lower at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Municipality's policy on borrowing costs.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The Municipality will not incur a foreign currency lease liability other than that allowed by the MFMA.

The Minister of Finance has, in terms of General notice 552 of 2007 exempted compliance with AC 105 (Leases)with regards to the recognition of operating lease payments / receipts on a straight line basis if the amount is recognised on the basis of the cash flows in the lease agreement. [SAICA Circular 12/06 paragraphs 8-11 and paragraphs 33, 34, 50, 51 of AC 105)]

1.9.2 Lessor Accounting

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Municipality's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return to the Municipality's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

1.10 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for the intended use or sale, added to the costs of these assets, until such time as the assets are substantially ready for their intended use of sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the statement of financial performance in the period in which they are incurred.

1.11 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the Statement of Financial Performance over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Municipality has the unconditional right to defer settlement of the liability for at least 12 months after the date of the Statement of Financial Position

1.12 Provisions

A provision is recognised when the municipality has a present obligation (legal or constructive) as a result of a past event and it is probable (i.e. more likely than not) that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation

The municipality has discounted provisions to their present value when the effect of the time value of money is material. The notional interest charge representing the unwinding of the provision discounting is included in the Statement of Financial Position.

Provisions are reviewed at each Statement of Financial Position date and adjusted to reflect the current best estimate.

1.13 Employee Benefits

(a) Pension obligations

The Municipality operate various pension schemes. The schemes are generally funded through payments to insurance companies or trustee-administered funds, determined by periodic actuarial calculations. The Municipality has both defined benefit and defined contribution plans. A defined contribution plan is a pension plan under which the Municipality pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that is not a defined contribution plan. Typically, defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit obligation is calculated bi-annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions in excess of the greater of 10% of the value of plan assets or 10% of the defined benefit obligation are charged or credited to income over the employees' expected average remaining working lives.

Past-service costs are recognised immediately in income, unless the changes to the pension plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past-service costs are amortised on a straight-line basis over the vesting period.

For defined contribution plans, the Municipality pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(b) Post Retirement Medical obligations

The Municipality provides post-retirement healthcare benefits to its retirees. The entitlement to these benefits is usually conditional on the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment using the same accounting methodology as used for defined benefit pension plans. Actuarial gains and losses arising from experience adjustments, and changes in actuarial assumptions in excess of the greater of 10% of the value of plan assets or 10% of the defined benefit obligation, are charged or credited to the Statement of Financial Performance over the expected average remaining working lives of the related employees. These obligations are valued annually by independent qualified actuaries.

The Minister of Finance has, in terms of General notice 552 of 2007 exempted compliance with AC 116 (Employee Benefits) with regards to defined benefit accounting as far as it relates to defined benefit plans accounted for as defined contribution plans and the defined benefit obligation disclosed by narrative information. (paragraphs 29, 46-119, 120A(c) – (q))]

1.14 Trade Payables (Creditors)

Trade payables and other receivables are originally carried at fair value and subsequently remeasured at amortised cost using the effective interest method.

1.15 Accrued Leave Pay

Liabilities for annual leave are recognised as they accrue to employees. The liability is based on the total amount of leave days due to employees at year end, less the 12 compulsory days to be taken and also on the basic salary of the employee.

1.16 Unutilised Conditional Grants

Unutilised conditional grants are reflected on the Statement of Financial Position as a creditor – Unutilised conditional grants. They represent unspent government grants, subsidies and contributions from the public. This creditor always has to be backed by cash. The following provisions are set for the creation and utilisation of this creditor:

- The cash which backs up the creditor is invested until it is utilised.
- Interest earned on the investment is treated in accordance with grant conditions. If it is payable to the funder it is recorded as part of the creditor. If it is the Municipality's interest it is recognised as interest earned in the Statement of Financial Performance.
- Whenever an asset is purchased out of the unutilised conditional grant an amount equal to the cost price of the asset purchased is transferred from the Unutilised Conditional Grant into the statement of financial performance as revenue. Thereafter an equal amount is transferred on the Statement of changes in net assets to a Government Grant Reserve. This reserve is equal to the remaining depreciable value (book value) of assets purchased out of the Unutilised Conditional Grants. The Government Grant Reserve is used to offset depreciation charged on assets purchased out of the Unutilised Conditional Grants.

1.17 Value Added Tax

The Council accounts for Value Added Tax on the cash basis.

1.18 Property Plant and Equipment

Land and buildings held for use in the production or supply of goods and services, or for administrative purposes, are stated in the Statement of Financial Position at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are performed every four years when the municipal valuation roll is updated.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a Revaluation Reserve in the Statement of Changes in Net Assets. Decreases that offset previous increases of the same asset are charged against the Revaluation Reserve directly in the Statement of Changes in Net Assets; all other decreases are charged to the Statement of Financial Performance. Each year the difference between depreciation based on the revalued carrying amount of the asset is charged to the Statement of Financial

Performance and depreciation based on the asset's original cost is transferred from the Revaluation Reserve to the Accumulated Surplus/ (Deficit).

Depreciation on revalued land and buildings is charged to the Statement of Financial Performance. On the subsequent sale or retirement of a revalued property, the attributable revaluation surplus remaining in the Revaluation Reserve is transferred directly to the accumulated surplus / deficit.

Incomplete construction work is stated at historic cost. Depreciation only commences when the asset is commissioned into use.

All other property, plant and equipment are stated at historical cost less depreciation and any accumulated impairment losses. Historical cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Municipality's accounting policy.

The Municipality has adopted a capitalisation threshold whereby all expenditure below the threshold is expensed when incurred. The threshold is currently R 10 000 per item of PPE.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits or service potential associated with the item will flow to the municipality and the cost of the item can be measured reliably. The carrying amount of a replaced part is derecognised. All other repairs and maintenance are charged to the Statement of Financial Performance during the financial period in which they are incurred.

Depreciation is charged so as to write off the cost or valuation of assets, other than land and buildings under construction over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis. The depreciation rates are based on the following estimated useful lives:

	Years		*Years*
1 Infrastructure		2 Other	
Roads and Paving	30	Buildings	30
Pedestrian Malls	30	Specialist vehicles	10
Electricity	20-30	Other vehicles	5
Water	15-20	Office equipment	3-7
Sewerage	15-20	Furniture and fittings	7-10
Housing	30	Watercraft	15
		Bins and containers	5
Community		Specialised plant and	
Improvements	30	Equipment	10-15
Recreational Facilities	20-30	Other plant and	
Security	5	Equipment	2-5
		Landfill sites	15

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised (net) in the Statement of Financial Performance. When revalued assets are sold, the amounts included in the Revaluation Reserve are transferred to the Accumulated Surplus/(Deficit) directly in the Statement of Changes in Net Assets.

Heritage assets, which are defined as culturally significant resources are not depreciated as they are regarded as having an infinite life. Land is also not depreciated for the same reason.

The Minister of Finance has, in terms of General notice 552 of 2007 exempted compliance with the following requirements of GAMAP 17 (Property, Plant and Equipment):

- *Review of useful life of item of PPE recognised in the annual financial statements. [Paragraphs 59-61 and 77]*
- *Review of the depreciation method applied to PPE recognised in the annual financial statements. [Paragraphs 62 and 77]*
- *Impairment of non-cash generating assets. [Paragraphs 64-69 and 75(e)(v) – (vi)]*
- *Impairment of cash generating assets. [Paragraphs 63 and 75(e)(v) – (vi)]*

1.19 Investment Property

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured initially at its cost. Subsequent to initial recognition investment properties are shown at fair value, based on periodic, but at least every three years, valuations by external independent valuers. Gains or losses arising from changes in the fair value of investment property are included in profit or loss for the period in which they arise.

The Minister of Finance has, in terms of General notice 552 of 2007 exempted compliance with the following requirements of AC 135 (Investment Property):

- *The entire standard to the extent that property is accounted for in terms of GAMAP 17.*
- *Disclosure of the fair value of investment property if the cost model is applied and where the municipality has recognised investment property in terms of this standard. [Paragraphs 79(e)(i) – (iii)]*

1.20 Intangible Assets

Intangible assets acquired separately are reported at cost less accumulated amortisation and accumulated impairment losses. Amortisation is charged on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

The Minister of Finance has, in terms of General notice 552 of 2007 exempted compliance with the following requirements of AC 129 (Intangible Assets):

- *The entire standards except for the recognition, measurement and disclosure of the computer software and website costs (AC 432) and all other costs were expensed.*

1.21 Impairment of Tangible and Intangible Assets

At each Statement of Financial Position date the municipality reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the municipality estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Financial Performance, unless the asset is carried at a revalued amount, in which case the reversal of the impairment is treated as a Revaluation Reserve increase.

The Minister of Finance has, in terms of General notice 552 of 2007 exempted compliance with AC 128 (Impairment of Assets) in its entirety.

1.22 Financial Assets

The Municipality classifies its financial assets in the following categories: loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(a) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the date of the Statement of Financial Position. They arise when the Municipality provides money for goods or services directly to a debtor with no intention of trading the receivable and are initially recognized at fair value and subsequently carried at amortised cost using the effective interest method, less provision for impairment.

1.23 Inventories

Inventories consist of consumables and are stated at the lower of cost and net realizable value. Cost is determined using the first-in-first-out (FIFO) cost method. Net realizable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

Unsold properties are valued according to the Valuation roll of Bergrivier Municipality. Direct costs are accumulated for each separately identifiable development.

Redundant and slow-moving inventories are identified and written down from cost to net realisable value with regard to their estimated economic or realisable values. Consumables are written down with regard to their age, condition and utility.

The Minister of Finance has, in terms of General notice 552 of 2007 exempted compliance with the following requirements of GAMAP 12 (Inventories).

- *The entire standard as far as it relates to immovable capital assets inventory that is accounted for in terms of GAMAP 17.*
- *The entire standard to the extent that it relates to water stock that was not purchased by the municipality.*

1.24 Trade and other Receivables

Trade receivables are recognised initially at originating cost and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established on budget based historical patterns and risk of recovery. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 90 days overdue) are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the Statement of Financial Performance. When a trade receivable is uncollectible, it is written off in terms of the municipality's Credit Control and Debt Collection Policy. Subsequent recoveries of amounts previously written off are credited against to the Statement of Financial Performance.

1.25 Cash and Cash Equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

1.26 Revenue Recognition

Service charges relating to electricity and water are based on consumption. Meters are read on a monthly basis and are recognised as revenue when invoiced. Provisional estimates of consumption are made monthly when meter readings have not been done. The provisional estimates of consumption are recognised as revenue when invoiced. Adjustments to provisional estimates of consumption are made in

the invoicing period in which meters have been read. These adjustments are recognised as revenue in the invoicing period. Revenue from the sale of electricity prepaid meter cards are recognised at the point of sale.

Service charges relating to refuse removal are recognised on a monthly basis in arrears by applying the approved tariff to each property that has improvements. Tariffs are determined per category of property usage, and are levied monthly.

Service charges from sewerage and sanitation for residential and business properties are levied monthly based on a fixed tariff.

Interest and rentals are recognised on a time proportion basis.

Revenue arising from the application of the approved tariff of charges is recognised when the relevant service is rendered by applying the relevant tariff. This includes the issuing of licences and permits.

- Interest earned on investments is recognised in the Statement of Financial Performance on a time proportionate basis that takes into account the effective yield on the investment.

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- The municipality has transferred to the buyer the significant risks and rewards of ownership of the goods.
- The municipality retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.
- The amount of revenue can be measured reliably.
- It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality.
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

Income for agency services is recognised on a monthly basis once the income collected on behalf of agents has been quantified. The income recognised is in terms of the agency agreement.

Revenue from public contributions is recognised when all conditions associated with the contribution have been met or where the contribution is to finance property, plant and equipment, when such items of property, plant and equipment is brought into use. Where public contributions have been received but the municipality has not met the condition, a liability is recognised.

Revenue from non-exchange transactions

Revenue from property rates is recognised when the legal entitlement to this revenue arises. Collection charges are recognised when such amounts are legally enforceable. Penalty interest on unpaid rates is recognised on a time proportionate basis.

Fines constitute both spot fines and summonses. Revenue from spot fines and summonses is recognised when payment is received.

Donations are recognised on a cash receipt basis or where the donation is in the form of property, plant and equipment, when such items of property, plant and equipment are brought into use.

Contributed property, plant and equipment is recognised when such items of property, plant and equipment are brought into use.

Revenue from the recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated procedures, including those set out in the Municipal Finance Management Act (Act No.56 of 2003) and is recognised when the recovery thereof from the responsible councillors or officials is virtually certain.

The Minister of Finance has, in terms of General notice 552 of 2007 exempted compliance with the following requirements of GAMAP 9 (Revenue):

- *Initial measurement of fair value discounting all future receipts using an imputed rate of interest [SIACA Circular 09/06 and paragraph 12]*

Conditional Grants and Receipts

Revenue received from conditional grants, donations and funding are recognised as revenue to the extent that the Municipality has complied with any of the criteria, conditions or obligations embodied in the agreement. To the extent that the criteria, conditions or obligations have not been met a liability is recognised.

The Minister of Finance has, in terms of General notice 552 of 2007 exempted compliance with the following requirements of AC 134 (Accounting for Government Grants).

- *Entire standard excluding paragraphs 24 and 26, replaced by paragraph 08 of GAMAP 12, paragraph 25 of GAMAP 17 and paragraphs 42 – 46 of GAMAP 9.*

1.27 Related parties

Individuals as well as their close family members, and/or entities are related parties if one party has the ability, directly or indirectly, to control or jointly control the other party or exercise significant influence over the other party in making financial and/or operating decisions. Key management personnel is defined as the Municipal Manager, Chief Financial Officer and all other managers reporting directly to the Municipal Manager or as designated by the Municipal Manager.

1.28 Unauthorised Expenditure

Unauthorised expenditure is expenditure that has not been budgeted, expenditure that is not in terms of the conditions of an allocation received from another sphere of government, municipality or organ of state and expenditure in the form of a grant that is not permitted in terms of the Municipal Finance Management Act (Act No.56 of 2003). Unauthorised expenditure is accounted for as an expense in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

1.29 Irregular Expenditure

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the Municipality's supply chain management policy. Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

1.30 Fruitless and Wasteful Expenditure

Fruitless and wasteful expenditure is expenditure that was made in vain and would have been avoided had reasonable care been exercised. Fruitless and wasteful expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

1.31 Rounding

The amounts reflected in the financial statements of the Municipality are all in Rand, and all amounts are rounded off to the nearest Rand.

1.32 Comparative Information

(a) Current year comparatives:

Budgeted amounts have been included in the annual financial statements for the current year only.

(b) Loans and receivables

When the presentation or classification of items in the annual financial statements is amended, prior period comparative amounts are reclassified. The nature and reason for the reclassification is disclosed.

		2008 R	2007 R
2	**HOUSING DEVELOPMENT FUND**		
	Housing Development Fund	2,434,152	2,434,152
	Loans extinguished by Government on 1 April 1998	2,434,152	2,434,152
	Total Housing Development Fund Assets and Liabilities	2,434,152	2,434,152
	The above balances are represented by cash and is invested together with the other investments of the municipality (See Notes 16)		
3	**NETT ASSET RESERVES**		
	RESERVES	75,674,823	77,467,660
	Capital Replacement Reserve	11,781,909	10,340,317
	Capitalisation Reserve	14,052,607	19,146,301
	Government Grant Reserve	49,840,311	44,973,042
	Sub-total	75,674,823	77,467,660
	Total Nett Asset Reserve Assets and Liabilities	75,674,823	77,467,660
4	**LONG-TERM LIABILITIES**		
	Annuity Loans - At amortised cost	17,651,154	15,400,153
	Capitalised Lease Liability - At amortised cost	362,371	608,075
	Total Long-term Liabilities - At amortised cost (excluding Short-term)	18,013,526	16,008,228
	Less : Current portion transferred to current liabilities	(1,895,699)	(1,453,174)
	Annuity Loans	(1,632,859)	(1,207,470)
	Lease Liabilities	(262,840)	(245,704)
	Total Long-term Liabilities - At amortised cost	16,117,827	14,555,054

Exemptions taken according to the exemptions gazetted in terms of Government Notice No. 30013 of 29 June 2007 and specifically paragraph 3(2) b of the above-mentioned notice

- Financial Instruments: Recognition and Measurement (AC133) Initially measuring financial assets and liabilities at fair value. [SAICA Circular 09/06 paragraphs 43, AG 79, AG 64 and AG 65 of AC 133]

- Financial Instruments: Disclosure (AC144) Entire standard to be replaced by IAS 32 (AC 125) issued August 2008 and effective for financial statements covering periods beginning on or after 1 January 1999

- Leases (AC 105) Recognising operating lease payments / receipts on a straight line basis if the amount is recognised on the basis of the cash flows in the lease agreement. [SAICA Circular 12/06 paragraphs 8-11 and paragraphs 33, 34, 50, 51 of AC 105)]

The obligations under finance leases are scheduled below.

	Minimum lease payments 2008	Minimum lease payments 2007
Amounts payable under finance leases		
Payable within one year	292,389	306,104
Payable within two to five years	104,263	398,174
	396,651	704,278
Less: Future finance obligations	34,290	96,203
Present value of lease obligations	362,371	608,075
Less: Amounts due for settlement within 12 months	262,840	245,704
Amount due for settlement after 12 months	99,532	362,371

Refer to Appendix A for descriptions, maturity dates and effective interest rates of structured loans and

		2008 R	2007 R
5	**NON-CURRENT PROVISIONS**		
	Landfill Sites	2,461,668	861,619
	Total Non-Current Provisions	2,461,668	861,619

Exemptions taken according to the exemptions gazetted in terms of Government Notice No. 30013 of 29 June 2007 and specifically paragraph 3(2)b of the notice

- Employee benefits. Exempted compliance with AC 116 (Employee benefits) with regards to defined benefit accounting as far as it relates to defined benefit plans accounted for as defined contribution plans and defined benefit obligation disclosed by narrative information (paragraphs 29, 48 - 119 and 120A(c) - (q))

The movement in the non-current provisions are reconciled as follows -

30 June 2008		
Balance at beginning of year	861,619	861,619
Transfer to current provision		-
Expenditure incurred		-
Contributions to provision	1,600,049	-
Transfer from current provisions		-
Balance at end of year	2,461,668	861,619

30 June 2007		
Balance at beginning of year		-
Transfer to current provision		-
Expenditure incurred		-
Contributions to provision		861,619
Transfer from current provisions		-
Balance at end of year		861,619

Reclamation of Piketberg landfill site over 5 years starting 1 July 2009 to the value of R6.4 million.

6	**CONSUMER DEPOSITS**		
	Water & Electricity	1,766,061	1,621,823
	Total Consumer Deposits	1,766,061	1,621,823

The fair value of consumer deposits approximate their carrying value. Interest is not paid on these amounts.

7	**PROVISIONS**		
	Performance bonus	294,338	333,021
	Personnel Bonus	1,010,407	948,770
	Total Provisions	1,304,746	1,281,791

Performance bonuses accrue to employees on an annually basis, subject to certain conditions. The provision is an estimate of the amount due to staff at the reporting date.

The movement in current provisions are reconciled as follows -

	Performance Bonus	Personnel Bonus
30 June 2008		
Balance at beginning of year	333,021	948,770
Contributions to provision	296,734	61,637
Expenditure incurred	(335,417)	-
Balance at end of year	294,338	1,010,407
30 June 2007		
Balance at beginning of year	244,948	640,434
Contributions to provision	333,021	948,770
Expenditure incurred	(244,948)	-640,434
Balance at end of year	333,021	948,770

11 PROPERTY, PLANT AND EQUIPMENT

30 June 2008

Reconciliation of Carrying Value	Land and Buildings	Infra-structure	Community	Other	Leased Assets	Total
	R	R	R	R	R	R
Carrying values at 1 July 2007	25,497,643	67,105,636	10,082,922	6,112,745	526,627	109,326,573
Cost	32,241,413	88,802,130	15,894,088	15,538,758	1,140,000	153,616,389
Accumulated depreciation	-6,743,770	-21,696,494	-5,811,165	-9,426,013	-613,373	-44,289,816
- Cost	-6,743,770	-21,696,494	-5,811,165	-9,426,013	-613,373	-44,289,816
Acquisitions	495,012	6,355,043	170,881	3,452,092	-	12,473,029
Capital under Construction		6,977,488	-	-	-	6,977,488
Depreciation	-558,622	-4,804,105	-532,586	-1,390,569	-	-7,285,882
- based on cost	-558,622	-4,804,105	-532,586	-1,390,569	-	-7,285,882
Carrying value of disposals	-	-	-	-881,390	-	-881,390
Cost/revaluation	-	-	-	-2,639,404	-	-2,639,404
Accumulated depreciation	-	-	-	1,758,013	-	1,758,013
Transfer of Cost	-	-	-	-	-	-
Transfer of Accumulated Depreciation						
	25,434,033	77,635,062	9,721,216	7,292,878	526,627	120,609,817
Carrying values at 30 June 2008	25,434,033	77,635,062	9,721,216	7,292,878	526,627	120,609,817
Cost	32,736,425	##########	16,064,969	16,351,446	1,140,000	170,427,502
Accumulated depreciation	-7,302,392	-26,499,599	-6,343,752	-9,058,568	-613,373	-49,817,684
- Cost	-7,302,392	-26,499,599	-6,343,752	-9,058,568	-613,373	-49,817,684

11 PROPERTY, PLANT AND EQUIPMENT (continued)

30 June 2007

Reconciliation of Carrying Value	Land and Buildings	Infra-structure	Community	Other	Leased Assets	Total
	R	R	R	R	R	R
Carrying values at 1 July 2006	25,980,117	59,460,071	6,999,866	6,237,945	755,452	99,433,451
Cost	*32,146,035*	*77,007,200*	*12,434,786*	*12,194,693*	*1,140,000*	*134,922,714*
Accumulated depreciation	*-6,165,918*	*-17,547,129*	*-5,434,920*	*-5,956,748*	*-384,548*	*-35,489,263*
- Cost	*-6,165,918*	*-17,547,129*	*-5,434,920*	*-5,956,748*	*-384,548*	*-35,489,263*
Acquisitions	95,376	11,794,930	3,459,301	1,422,496	-	16,772,105
Depreciation	-577,852	-4,148,365	-376,245	-1,547,690	-228,825	-6,878,983
- based on cost	-577,852	-4,148,365	-376,245	-1,547,690	-228,825	-6,878,983
Carrying value of disposals	-	-	-	-	-	-
Cost/revaluation	-	-	-	-	-	-
Residual Value	-	-	-	-	-	-
Accumulated depreciation	-	-	-	-	-	-
Small asset listing transferred from Accumulated Surplus (Not included in PPE during 2007) - Note 29.5				1,921,569		1,921,569
Small asset listing (Accumulated Depreciation) transferred from Accumulated Surplus (Not included in PPE during 2007) - Note 29.6				-1,921,569		-1,921,569
	25,497,643	67,106,636	10,082,922	6,112,745	526,627	109,326,573
Carrying values at 30 June 2007	25,497,643	67,106,636	10,082,922	6,112,745	526,627	109,326,573
Cost	*32,241,413*	*88,802,130*	*15,894,088*	*15,536,758*	*1,140,000*	*153,610,389*
Accumulated depreciation	*-6,743,770*	*-21,695,494*	*-5,811,166*	*-9,426,013*	*-613,373*	*-44,289,816*
- Cost	*-6,743,770*	*-21,695,494*	*-5,811,166*	*-9,426,013*	*-613,373*	*-44,289,816*

Refer to Appendix B for more detail on property, plant and equipment, including those in the course of construction.

Exemptions taken according to the exemptions gazetted in terms of Government Notice No. 30013 of 29 June 2007 and specifically paragraph 3(2) b of the above-mentioned notice.

• Property, Plant and Equipment (GAMAP 17) Review of useful life of item of PPE recognised in the annual financial statements. [Paragraphs 59-61 and 77]

• Property, Plant and Equipment (GAMAP 17) Review of the depreciation method applied to PPE recognised in the annual financial statements. [Paragraphs 62 and 77]

• Property, Plant and Equipment (GAMAP 17) Impairment of non-cash generating assets. [Paragraphs 64-69 and 75(e)(v) – (vi)]

• Property, Plant and Equipment (GAMAP 17) Impairment of cash generating assets. [Paragraphs 63 and 75(e)(v) – (vi)]

• Impairments of Assets (AC 128) Entire Standard

• Investment Property (AC 135) The entire standard to the extent that property is accounted for in terms of GAMAP 17.

• Investment Property (AC 135) Disclosure of the fair value of investment property if the cost model is applied and where the municipality has recognised investment property in terms of this standard. [Paragraphs 79(e)(i) – (iii)]

• Intangible Assets (AC 129) The entire standards except for the recognition, measurement and disclosure of the computer software and website costs (AC 432) and all other costs were expensed.

• Non-current Assets Held for Sale and Discontinued Operations (AC142) Classification, measurement and disclosure of non-current assets held for sale. [paragraphs 6-14, 15-29 (in so far as it relates to non-current assets held for sale), 38-42]

The Municipality has taken advantage of the transitional provisions set out in GAMAP 17. The Municipality is in the process of itemizing all infrastructure and community assets and will recalculate accumulated depreciation once this exercise has been completed by 30 June 2009. At present depreciation on these assets is calculated on an averaging basis whereby an average useful life has been estimated for each category of infrastructure and community assets, using global historical costs recorded in the accounting records.

		2008 R	2007 R
12	**LONG-TERM RECEIVABLES**		
	Staff Car Loans - At amortised cost	220,998	231,984
	Sport Organisation Loans - At amortised cost	249,221	270,374
	Housing selling scheme Loans - At amortised cost	592,874	592,874
		1,063,093	1,194,342
	Less : Current portion transferred to current receivables	162,418	171,447
	Staff Car Loans	120,298	111,157
	Sport Organisation Loans	42,123	41,946
	Housing selling scheme Loans	-	18,344
	Total Long-term receivables	900,674	1,022,895

VEHICLE LOANS
Senior staff are entitled to car loans which attract interest at 8% per annum and which are repayable over a maximum period of 5 years. These loans are redeemed July 2010

Exemptions taken according to the exemptions gazetted in terms of Government Notice No. 30013 of 29 June 2007 and specifically paragraph 3(2) b of the above-

- Financial instruments: Recognition and Measurement (AC133) Initially measuring financial assets and liabilities at fair value [SAICA Circular 09/06 paragraphs 43, AG 79, AG 64 and AG 65 of AC 133]

- Financial Instruments: Disclosure (AC144) Entire standard to be replaced by IAS 32 (AC 125) issued August 2006 and effective for financial statements covering periods beginning on or after 1 January 1998

13	**INVENTORY**		
	Fuel - at cost	209,999	134,652
	Water - at cost	55,390	50,040
	Total Inventory	265,389	184,692

Exemptions taken according to the exemptions gazetted in terms of Government Notice No. 30013 of 29 June 2007 and specifically paragraph 3(2)b of the notice

- Inventories: The entire standard as far as it relates to immovable capital assets inventory that is accounted for in terms of GAMAP 17. The entire standard to the extent that it relates to water stock that was not purchased by the municipality

14	**TRADE RECEIVABLES FROM EXCHANGE TRANSACTIONS**		
	Rates	-	6,291,958
	Electricity	4,436,068	3,733,373
	Water	2,724,237	2,200,174
	Sewerage	1,988,231	1,386,863
	Refuse	1,807,104	1,031,191
	Others	4,872,403	5,718,629
		15,838,043	20,362,188
	Rates transferred to Other Receivables from non-exchange transactions - Note 18	-	(6,291,958)
	Total : Trade receivables from exchange transactions	15,838,043	14,070,230
	Less : Provision for bad debts	(3,297,666)	(4,509,039)
	exchange transactions - Note 15	-	1,276,811
	Total	12,540,376	10,837,402

		2008 R	2007 R
15	**OTHER RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS**		
	Other Debtors	728,208	1,297,434
	Unpaid conditional grants and subsidies	4,833,336	2,187,058
		5,561,535	3,484,492
	Unpaid conditional grants and subsidies transferred to Conditional Grants and Receipts - Note 9	-	(2,187,058)
		5,561,535	1,297,434
	Rates transferred from Trade Receivables from exchange transactions - Note 14	-	6,291,958
	Taxes - Rates	8,628,738	-
	Other Receivables from non-exchange transactions	14,189,273	7,589,392
	Provision for bad debts on Rates transferred from Trade Receivables from exchange transactions - Note 14		(1,276,811)
	Less: Provision for bad debts	(1,779,149)	
	Total	12,409,124	6,312,581
	Rates: Ageing		
	Current (0 - 30 days)	1,310,870	1,052,353
	31 - 60 Days	241,012	161,499
	61 - 90 Days	207,537	142,053
	+ 90 Days	6,867,318	4,936,053
	Total	8,626,738	6,291,958
	Other Debtors: Ageing (Sundry Debtors)		
	Current (0 – 30 days)	-	-
	31 - 60 Days	-	-
	61 - 90 Days	-	-
	+ 90 Days	-	-
	Total	-	-

Concentrations of credit risk with respect to other receivables from non-exchange transactions are limited due to the municipality's large number of customers. The municipality's historical experience in collection of trade receivables falls within recorded allowances. Due to these factors, management believes that no additional risk beyond amounts provided for collection losses is inherent in the municipality's trade

The fair value of other receivables from non-exchange transactions approximate their carrying value

The provision for doubtful debts on other receivables from non-exchange transactions exists due to the possibility that not all debts will be recovered. Receivables were assessed individually and grouped together at the Statement of Financial Position date as financial assets with similar credit risk characteristics and collectively assessed for impairment.

16	**CASH AND CASH EQUIVALENTS**		
	Assets		
	Call Investment Deposits	35,766,490	30,039,890
	Primary Bank Account (Cashbook balance)	-	6,698,057
	Total Cash and Cash Equivalents - Assets	35,766,490	36,737,947
	Liabilities		
	Primary Bank Account (Overdraft cashbook balance)	2,964,259	-
	Total Cash and Cash Equivalents - Liabilities	2,964,259	-

The deposits are ring fenced in order to finance the Capital Replacement Reserve, the Housing Development Fund and Unspent Conditional Grants and Receipts

(See note 2, 3 and 9) The effective interest rate for call investment deposits were 9.1% (2007: 6.5%)

The Municipality has the following bank account: -

Current Account (Primary Bank Account)
Piketberg ABSA - Account Number 11 6056 0153 (Primary Bank Account)

Cashbook balance at beginning of year	6,698,057	5,791,022
Cashbook balance at end of year	2,964,259	6,698,057
Bank statement balance at beginning of year	12,393,056	11,441,221
Bank statement balance at end of year	1,612,483	12,393,056

		2008 R	2007 R
17	**PROPERTY RATES**		
	Actual		
	Residential, Commercial, State	21,145,965	19,313,801
	Total Assessment Rates	**21,145,965**	**19,313,801**
	Valuations	*July 2007*	*July 2006*
	RATEABLE	**1,858,124,100**	**##########**
	Land	916,389,410	971,220,310
	Buildings	938,734,690	888,801,580
	EXEMPTION	**344,978,000**	**292,323,990**
	Land	274,500	21,148,200
	Buildings	344,703,500	271,175,790
	Total Property Valuations	**3,103,102,100**	**##########**

Valuations on land and buildings are performed every four years. The last valuation came into effect on 1 July 2003. Interim valuations are processed on a yearly basis to take into account changes in individual property values due to alterations and subdivisions. A general rate of R0.0170 is applied to property valuations to determine assessment rates. Rebates as set out below are granted to some residential and state property owners. Rates are levied on an annual basis with the final date of payment being 30 September. Interest at Prime + 1% per annum is levied on outstanding rates. Special Rate of R0.00400 is levied on land in Port-Owen area

Rebates
Rural Areas = 75%
State Property = 20%
Moravian Church Property = 50%
Welfare Organisation = 100%
Pensioners = 50 %

18	**SERVICE CHARGES**		
	Electricity	28,307,900	27,791,704
	Service charges	29,558,778	27,791,704
	Less: Rebates	(250,878)	-
	Water	9,008,819	8,611,576
	Service charges	9,174,454	8,611,576
	Less: Rebates	(165,635)	-
	Refuse removal	4,889,618	3,552,143
	Service charges	5,360,229	3,552,143
	Less: Rebates	(730,601)	-
	Sewerage and Sanitation Charges	3,307,936	3,370,383
	Service charges	4,030,144	3,370,383
	Less: Rebates	(722,208)	-
	Total Service Charges	**45,284,276**	**43,325,806**

Exemptions taken according to the exemptions gazetted in terms of Government Notice No. 30013 of 29 June 2007 and specifically paragraph 3(2) b of the notice

- Revenue (GAMAP 9) initial measurement of fair value discounting all future receipts using an imputed rate of interest. [SIACA Circular 09/06 and paragraph 12]

19	**GOVERNMENT GRANTS AND SUBSIDIES**		
	Equitable share	8,963,513	7,789,858
	Subsidy: Other	15,753,047	
	Subsidy: Provincial	-	500,000
	Capital Expenditure on Grants and Subsidies	-	5,420,081
	Operating Expenditure on Grants and Subsidies	-	2,619,439
	Total Government Grant and Subsidies	**24,716,560**	**16,329,379**

19.1 Equitable Share

In terms of the Constitution, this grant is used to subsidise the provision of basic services to indigent community members. All registered indigents receive 6kl water, 50kwh electricity, refuse removal and sewer services free per month, which is funded from this grant.
(See Appendix "F" for a reconciliation of all grants)

		2008 R	2007 R
20	**OTHER INCOME**		
	Other income	4,919,939	2,766,271
	Total Other Income	4,919,939	2,766,271

Exemptions taken according to the exemptions gazetted in terms of Government Notice No. 30013 of 29 June 2007 and specifically paragraph 3(2) b of the above-mentioned notice

- Revenue (GAMAP 9) Initial measurement of fair value discounting all future receipts using an imputed rate of interest. [SIAGA Circular 09/06 and paragraph 12]

		2008 R	2007 R
21	**EMPLOYEE RELATED COSTS**		
	Employee related costs - Salaries and Wages	29,712,484	26,847,904
	Standby Allowances	482,360	447,576
	Housing Subsidy	395,506	320,533
	Bonus	1,723,611	1,932,062
	Overtime	1,462,557	1,281,081
	Salaries	22,056,753	18,934,717
	Temporary Workers	864,830	1,017,653
	Sundry Allowance	657,833	664,501
	Leave Reserve Fund	-	445,970
	Transport Allowance	2,078,745	1,803,811
	Employee related costs - Social contributions	6,537,335	5,916,209
	Group Insurance	390,252	384,693
	Medical Aid Contribution	2,287,748	2,048,915
	Bargaining Council	11,776	10,889
	Pension Fund Contribution	3,611,404	3,299,383
	Unemployment Fund	237,145	202,559
		36,249,819	32,764,113
	Less: Employee Costs Capitalised	-	-
	Total Employee Related Costs	36,249,819	32,764,113

The Municipality pays 80% of the medical aid of retired officials. There are currently twenty four retired officials who qualify for this benefit. The contribution for the month of June were R38 311 and the monthly 2008 financial will be R45 000 per month

EMPLOYEE RELATED COSTS - Continued

KEY MANAGEMENT PERSONNEL

Municipal Manger is appointed on a 5-year fixed contract. There are no post-employment or termination benefits payable to him at the end of the contract period

REMUNERATION OF KEY MANAGEMENT PERSONNEL

Remuneration of the Municipal Manager		
Annual Remuneration	531,350	78,053
Rental allowance & Settling in allowance	-	48,026
Car Allowance	166,512	16,926
Medical and pension funds, group life & UIF	11,192	1,472
Total	709,055	144,477
Remuneration of the Deputy Municipal Manager (5 Months)		
Annual Remuneration	127,857	393,016
Performance Bonuses	68,012	59,481
Leave Pay	26,437	
Acting allowance	-	89,514
Telephone allowance	-	11,478
Car Allowance	46,236	139,734
Severance Package	688,880	
Medical and pension funds, group life & UIF	14,637	54,103
Total	972,058	764,326
Remuneration of Chief Financial Officer		
Annual Remuneration	322,951	306,977
Performance Bonuses	83,121	55,640
Car Allowance	128,053	118,515
Medical and pension funds, group life & UIF	64,656	78,800
Total	598,780	559,932

Remuneration of Individual Directors
30 June 2008

	Technical Services R	Administration Services R	Community Services R
Annual Remuneration	322,951	322,951	322,951
Performance Bonuses	63,121	63,121	63,121
Car Allowance	125,255	124,924	127,650
Medical and pension funds, group life & UIF	84,655	84,530	84,655
Total	595,982	595,526	598,377

30 June 2007

	Technical Services R	Administration Services R	Community Services R
Annual Remuneration	320,697	300,387	311,901
Performance Bonuses	55,640	10,547	55,640
Car Allowance	116,475	116,982	116,771
Medical and pension funds, group life & UIF	78,800	77,738	78,800
Total	571,612	515,654	563,112

		2008 R	2007 R
22	**REMUNERATION OF COUNCILLORS**		
	Mayor	464,417	372,782
	Councillors	-	211,444
	Councillors' Cell phones	-	208,424
	Mayoral Committee Member	380,939	209,827
	Councillors	1,373,390	1,122,567
	Councillors' pension contribution	-	98,192
	Councillors' medical aid	-	20,966
	Councillors' car allowance	-	379,309
	Speaker	375,428	-
	Deputy Mayor	377,478	-
	Telephone Allowance	-	11,445
	Total Councillors' Remuneration	2,931,642	2,634,796
	In-kind Benefits		
	The Executive Mayor, Deputy Executive Mayor, Speaker and one other councillor are full-time. Each is provided with an office and secretarial support at the cost of the Council.		
23	**BAD DEBT PROVISION**		
	Reconciliation of Provision for Bad Debts		
	Balance at beginning of year	4,509,639	3,904,751
	Contribution / (Reversal) to provision	1,363,400	604,888
	Balance at end of year	5,873,039	4,509,639
	Trade Receivables form exchange transactions - Note 14	3,297,668	4,509,639
	Other Receivables form non-exchange transactions - Note 15	1,779,149	-
	Total Bad Debt Provision	5,076,816	4,509,639
24	**INTEREST PAID**		
	Long-term liabilities	1,972,553	1,750,021
	Finance leases	-	-
	Total Interest on External Borrowings	1,972,553	1,750,021
25	**BULK PURCHASES**		
	Electricity	15,953,479	14,605,761
	Water	2,514,514	2,479,385
	Total Bulk Purchases	18,467,993	17,084,146
26	**GRANTS AND SUBSIDIES PAID**		
		-	2,619,439
	Total Grants and Subsidies	-	2,619,439
27	**GENERAL EXPENSES**		
	General Expenses	17,842,353	14,688,188
	General expenses contains administrative and technical expenses otherwise not provided for in the line-items of the Statement of Financial performance. This include items such as telecommunications, travelling, legal fees and auditing fees.		

		2008 R	2007 R
28	**SURPLUS OF ASSOCIATE**		
	The municipality has got no shares in associates	-	-
29	**CORRECTION OF ERROR IN TERMS OF GRAP 3**		
	29.1 Trade Receivables from exchange transaction		
	Balance previously reported	-	17,129,380
	Rates transferred to Other Receivables from non-exchange transactions - Note	-	(6,291,958)
	Provision for bad debts on Rates transferred to Other Receivables from non-	-	(1,276,811)
	Total	-	9,560,591
	29.2 Other Receivables from non-exchange transactions		
	Balance previously reported	-	3,464,492
	Rates transferred from Trade Receivables from exchange transactions - Note 29.1	-	6,291,958
	exchange transactions - Note 29.1	-	1,276,811
	Unpaid Conditional Grants and Receipts transferred to Conditional Grants and Receipts - Note 29.3		(2,167,058)
	Total	-	8,868,203
	29.3 Conditional Grants and Receipts		
	Balance previously reported	-	5,214,611
	Unpaid Conditional Grants and Receipts transferred from Other Receivables from non-exchange transactions - Note 29.2	-	(2,167,058)
	Total	-	3,047,553
	29.4 Accumulated Surplus		
	Balance previously reported	-	49,264,160
	Small asset listing transferred to Property, Plant & Equipment - Note 29.5	-	1,921,569
	Small asset listing transferred to Accumulated Depreciation - Note 29.6	-	(1,921,569)
	Total	-	49,264,160
	29.5 Property, Plant & Equipment (Cost)		
	Balance previously reported	-	151,694,819
	Small asset listing transferred from Accumulated Surplus (Not included in PPE during 2007) - Note 29.4	-	1,921,569
	Total	-	153,616,388
	29.6 Accumulated Depreciation		
	Balance previously reported	-	(42,368,246)
	Small asset listing (Accumulated Depreciation) transferred from Accumulated Surplus (Not included in PPE during 2007) - Note 29.4	-	(1,921,569)
	Total	-	(44,289,815)
30	**CASH GENERATED BY OPERATIONS**		
	Surplus for the year	6,578,023	10,274,603
	Adjustment for:-		
	Depreciation	7,514,182	8,878,903
	Amortisation of Intangible Assets	-	-
	Loss/(Gain) on disposal of property, plant and equipment		(1,453,934)
	Investment income	(4,162,346)	(4,414,149)
	Interest paid	1,973,953	1,750,021
	Operating surplus before working capital changes:	13,904,432	13,035,525
	(Increase)/decrease in inventories	(80,487)	(9,351)
	(Increase)/decrease in trade receivables from exchange transactions	(1,702,975)	(2,519,345)
	(Increase)/decrease in other receivables from non-exchange transactions	(6,096,540)	(148,841)
	(Decrease)/increase in unspent conditional grants and receipts	(1,980,777)	757,734
	Decrease/(increase) in unpaid conditional grants and receipts	(150,919)	148,530
	(Decrease)/increase in trade payables	(1,232,193)	6,161,408
	Increase/(decrease) in provisions	(22,954)	1,258,026
	(Decrease)/increase in taxes	(130,919)	78,955
	Cash generated by/(utilised in) operations	2,606,635	18,760,643
31	**CASH AND CASH EQUIVALENTS**		
	Cash and cash equivalents included in the cash flow statement comprise the following :		
	Call investments Deposits	35,756,490	30,039,990
	Primary Bank Account (Overdraft cashbook balance)	2,964,269	6,697,957
	Total cash and cash equivalents	38,720,759	36,737,947

		2008 R	2007 R
32	**UTILISATION OF LONG-TERM LIABILITIES RECONCILIATION**		
	Long-term liabilities - Note 4	17,651,154	15,400,153
	Used to finance property, plant and equipment – at cost	17,651,154	15,400,153
	Sub- total	-	-
	Cash set aside for the repayment of long-term liabilities	-	-
	Cash invested for repayment of long-term liabilities	-	-

Long-term liabilities have been utilized in accordance with the Municipal Finance Management Act. The Annuity Loans carry interest of between 9.75 % and 17.50 % and will be repaid by 2020

Exemptions taken according to the exemptions gazetted in terms of Government Notice No. 30013 of 29 June 2007 and specifically paragraph 3(2) b of the above-mentioned notice

- Financial Instruments: Recognition and Measurement (AC 133) Initially measuring financial assets and liabilities at fair value. [SAICA Circular 06/06 paragraphs 43, AG 79, AG 64 and AG 65 of AC 133]

- Financial Instruments: Disclosure (AC144) Entire standard to be replaced by IAS 32 (AC 125) issued August 2006 and effective for financial statements covering periods beginning on or after 1 January 1998.

33 UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE DISALLOWED

There were no unauthorised, fruitless or wasteful expenditure during the year

33.1 Unauthorised expenditure

Reconciliation of unauthorised expenditure		
Opening balance	-	-
Unauthorised expenditure current year	-	-
Approved by Council or condoned	-	-
Transfer to receivables for recovery	-	-
Unauthorised expenditure awaiting authorisation	-	-

Incident	Disciplinary steps/criminal proceedings
None	None

33.2 Fruitless and wasteful expenditure

Reconciliation of fruitless and wasteful expenditure		
Opening balance	-	-
Fruitless and wasteful expenditure current year	-	-
Condoned or written off by Council	-	-
To be recovered – contingent asset	-	-
Fruitless and wasteful expenditure awaiting condonement	-	-

Incident	Disciplinary steps/criminal proceedings
None	None

33.3 Irregular expenditure

Reconciliation of irregular expenditure		
Opening balance	-	-
Fruitless and wasteful expenditure current year	-	-
Condoned or written off by Council	-	-
Transfer to receivables for recovery – not condoned	-	-
Irregular expenditure awaiting condonement	-	-

Incident	Disciplinary steps/criminal proceedings
None	None

34 ADDITIONAL DISCLOSURES IN TERMS OF MUNICIPAL FINANCE MANAGEMENT ACT

34.4 Contributions to organised local government - [MFMA 125 (1)(b)]

Opening balance	-	-
Council subscriptions	-	-
Amount paid - current year	-	-
Amount paid - previous years	-	-
Balance unpaid (included in trade payables)	-	-

34.5 Audit fees - [MFMA 125 (1)(b)]

Opening balance	-	-
Current year audit fee	877,261	626,399
Amount paid - current year	(877,261)	(626,399)
Amount paid - previous years	-	-
Balance unpaid (included in trade payables)	-	-

		2008 R	2007 R
34.6	VAT - [MFMA 125 (1)(b)]		
	Vat inputs receivables and Vat outputs payables are shown in Note 10 All VAT returns have been submitted by the due date throughout the year	-	-1,901,990
34.7	PAYE, SDL and UIF - [MFMA 125 (1)(b)]		
	Opening balance	-	-
	Current year payroll deductions and Council Contributions	-	3,433,051
	Amount paid - current year	-	(3,433,051)
	Amount paid - previous years	-	-
	Balance unpaid (included in trade payables)	-	-
34.8	Pension and Medical Aid Deductions - [MFMA 125 (1)(b)]		
	Opening balance	-	-
	Current year payroll deductions and Council Contributions	-	8,732,749
	Amount paid - current year	-	(8,732,749)
	Amount paid - previous years	-	-
	Balance unpaid (included in trade payables)	-	-

34 ADDITIONAL DISCLOSURES IN TERMS OF MUNICIPAL FINANCE MANAGEMENT ACT - Continued

34.9 Councillor's arrear consumer accounts - [MFMA 124 (1)(b)]

The following Councillors had arrear accounts outstanding for more than 90 days as at -

30 June 2008	Total	Outstanding less than 90 days	Outstanding more than 90 days
All Services	5,781	5,781	-
Total Councillor Arrear Consumer Accounts	5,781	5,781	-

Key Management and Councillors receive and pay for services on the same terms and conditions as other ratepayers / residents.

No councillor had an arrear account outstanding for more than 90 days during the year ended 30 June 2007 or as at year end 30 June 2008

34.10 Non-Compliance with Chapter 11 of the Municipal Finance Management Act

Bergrivier Municipality complied to Chapter 11 of the Municipal Finance Management Act

34.11 Quotations awarded - Section 45 - Supply Chain Management

Refer Appendix I for the Supply Chain Management Report

35 CAPITAL COMMITMENTS

	2008 R	2007 R
Commitments in respect of capital expenditure		
Approved but not yet contracted for	44,277,400	33,648,800
Infrastructure	15,313,000	27,691,500
Community	18,171,200	1,146,900
Other	10,793,200	4,810,400
Total	44,277,400	33,648,800
This expenditure will be financed from		
- External Loans	11,400,000	5,070,000
- Capital Replacement Reserve	12,090,000	-
- Government Grants	19,907,400	19,862,000
- Own resources	-	8,716,800
- District Council Grants	-	-
Total	44,277,400	33,648,800

36 FINANCIAL RISK MANAGEMENT

Financial Risk Management

The activities of the municipality expose it to a variety of financial risks, including market risk (comprising Currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The municipality's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the municipality's financial performance

(a) Foreign exchange currency risk

The municipality does not engage in foreign currency transactions

(b) Interest rate Risk

The Municipality is mainly exposed to interest rate risk due to the movements in long-term and short term interest rates.
This risk is managed on an ongoing basis

(c) Credit Risk

Credit risk is the risk that a counter party to a financial or non-financial asset will fail to discharge an obligation and cause the Municipality to incur financial loss

Credit risk arises mainly from cash and cash equivalents, instruments and deposits with banks and financial institutions, as well as credit exposures to consumer and grant debtors

For banks and financial institutions, only independently rated parties with a minimum rating of 'a+' are accepted. Grants are receivable from higher order levels of government. In the case of consumer debtors the municipality effectively has the right to terminate services to customers but in practice this is difficult to apply. This increases the credit risk in respect of consumer debtors. The risk of non- payment is managed on an ongoing basis and where practical, services are terminated and procedures applied to recover outstanding amounts owing and an appropriate level of impairment provision for default is maintained

(d) Liquidity Risk

Liquidity risk is the risk that the municipality will encounter difficulty in raising funds to meet commitments associated with financial liabilities

Prudent liquidity risk management includes maintaining sufficient cash and marketable securities, the availability of funding from an adequate amount of committed credit facilities and the ability to close out market positions

The financial liabilities of the municipality are backed by appropriate assets and it has adequate liquid resources. The Council monitors the cash projections and by ensuring that borrowing facilities are available to meet its cash requirements

FINANCIAL RISK MANAGEMENT - Continue

(d) Other risks

Potential concentrations of credit risk and interest rate risk consist mainly of fixed deposit investments, long-term debtors, consumer debtors, other debtors, short-term investment deposits and bank and cash balances

The municipality limits its counterparty exposures from its money market investment operations by only dealing with well-established financial institutions of high credit standing. The credit exposure to any single counterparty is managed by setting transaction / exposure limits, which are included in the municipality's Investment Policy. These limits are reviewed annually by the CFO and authorised by the Municipal Council

Consumer debtors comprise of a large number of ratepayers, dispersed across different industries and geographical areas. Ongoing credit evaluations are performed on the financial condition of these debtors. Consumer debtors are presented net of an allowance for doubtful debt.

In the case of debtors whose accounts become in arrears, it is endeavoured to collect such accounts by "levying of penalty charges", "demand for payment", "restriction of services" and, as a last resort, "handed over for collection", whichever procedure is applicable in terms of Council's Credit Control and Debt Collection Policy

Long-term Receivables and Other Debtors are individually evaluated annually at balance Sheet date for impairment or discounting. A report on the various categories of debtors is drafted to substantiate such evaluation and subsequent impairment / discounting, where applicable

37 EVENTS AFTER THE REPORTING DATE

NONE

38 IN-KIND DONATIONS AND ASSISTANCE

The Municipality did not receive any the following in-kind donations and assistance

39 PRIVATE PUBLIC PARTNERSHIPS

Council has not entered into any private public partnerships during the financial year 2007/2008

40 COMPARISON WITH THE BUDGET

The comparison of the municipality's actual financial performance with the budget, is set out in Annexures "E (1) and E (2)".

41 CONTINGENT LIABILITY

Council did not have any contingent liabilities during the financial year 2007/2008.

42 Exemptions taken according to the exemptions gazetted in terms of Government Notice No. 30013 of 29 June 2007 and specifically paragraph 3(2)b of the notice

• Financial Instruments: Recognition and Measurement (AC133) Initially measuring financial assets and liabilities at fair value [SAICA Circular 09/06 paragraphs 43, AG 79, AG 64 and AG 65 of AC 133]

• Financial Instruments: Disclosure (AC144) Entire standard to be replaced by IAS 32 (AC 125) issued August 2006 and effective for financial statements covering periods beginning on or after 1 January 1999

• Segment Reporting (AC115) Entire Standard
• Operating Segments (AC146) Entire Standard
• Construction Contracts (AC109) Entire Standard
• Business Combinations (AC140) Entire Standard

• Accounting for Government Grants and Disclosure of Government Assistance (AC134) Entire standard excluding paragraphs 24 and 26, replaced by paragraph 08 of GAMAP 12, paragraph 26 of GAMAP 17 and paragraphs 42 – 46 of GAMAP 9

43 Process to comply fully with the implementation of General Recognised Accounting Practices (GRAP).

The municipality adopted a phased-in approach in order to comply fully with the implementation of GRAP. The municipality is classified by the National Treasury as a medium capacity municipality and must comply with GRAP by 30 June 2009. The municipality, however, took advantage of transitional provisions and implement GRAP at an earlier date in order to ensure more relevant financial reporting. The implementation plan for full compliance with the requirements of GRAP is listed in

APPENDIX A

BERGRIVIER MUNICIPALITY

SCHEDULE OF EXTERNAL LOANS AS AT 30 JUNE 2008

EXTERNAL LOANS	Rate	Loan Number	Redeemable	Balance at 6/30/2007	Received during the period	Redeemed written off during the period	Balance at 6/30/2008
				R	R	R	R
LONG-TERM LOANS				0	0	0	0
Total long-term loans				0	0	0	0
ANNUITY LOAN							
DBSA : 10886/102	15.00%	DBSA 1	6/30/2018	1,559,724		61,666	1,498,058
DBSA : 12562	15,57%	PVE13	6/1/2008	23,804		23,805	-1
DBSA : 10374	13,00%	PVE17	3/1/2016	1,148,262		75,312	1,072,950
DBSA : 13021	15,06%	EVD5	6/1/2007	-		-	
DBSA : 102444/1	9,98%	Berg Elek	12/31/2016	2,615,000		305,421	2,309,579
DBSA : 101210/1	10,80%	BRG1	6/30/2014	1,481,631		150,656	1,330,975
DBSA : 101210/2	10,60%	BGR2	6/30/2009	120,293		57,021	63,272
INCA	9,44%	BRG3	6/1/2015	1,687,424		148,932	1,538,492
DBSA : 12602	10,75%	4	12/1/2009	38,011		14,015	23,996
DBSA : 12603	9,50%	5	12/1/2010	20,093		5,087	15,006
DBSA : 13023	13,23%	EVD6	6/1/2015	1,457,866		111,074	1,346,792
DBSA : 13324	16,50%	EVD8	12/1/2020	920,278		20,732	899,546
DBSA : 11650	13,45%	EK 2	6/1/2007	-988		-	-988
DBSA : 10778	14,00%	PVE15	9/1/2017	1,209,721		53,594	1,156,127
DBSA : 13757	11,70%	EVD9	6/1/2016	737,472		49,622	687,850
DBSA : 102444/2	9,94%	Berg Grnd & Geb	12/31/2013	1,566,000		283,268	1,282,732
DBSA : 102444/3	9,96%	Berg Grnd & Geb	12/31/2011	815,562		218,956	596,606
DBSA :					3,830,163		3,830,163
Total annuity loans				15,400,153	3,830,163	1,579,162	17,651,154
LEASE LIABILITY					2,251,001		
Office Equipment				608,075	-	245,704	362,371
Total Lease Liabilities				608,075	-	245,704	362,371
TOTAL EXTERNAL LOANS				16,008,228	3,830,163	1,824,865	18,013,526

APPENDIX B
BERGRIVIER MUNICIPALITY
ANALYSIS OF PROPERTY PLANT AND EQUIPMENT AS AT 30 JUNE 2008

	Cost/Revaluation					Accumulated Depreciation				Carrying Value
	Opening Balance	Additions	Under Construction	Disposals	Closing Balance	Opening Balance	Additions	Disposals income	Closing Balance	
Land and Buildings										
Land	13,747,273	-	-	-	13,747,273	40,293	10,154	-	50,447	13,696,826
Buildings	18,494,140	495,012	-	-	18,989,152	6,703,477	548,468	-	7,251,945	11,737,207
	32,241,413	495,012	0	0	32,736,425	6,743,770	558,622	0	7,302,392	25,434,033
Infrastructure										
Drains	-	-	-	-	0	-	-	-	0	0
Roads and Streets	25,581,736	2,708,683	4,426,584	-	32,717,004	7,088,423	1,660,352	-	8,748,775	23,968,229
Beach improvements	-	-	-	-	0	-	-	-	0	0
Sewerage Mains and Purification	11,918,096	862,514	-	-	12,781,610	3,769,554	544,780	-	4,314,334	8,467,276
Electricity mains	24,418,996	566,027	2,550,904	-	27,535,925	4,159,130	1,198,855	-	5,357,985	22,177,941
Electricity Peak Load equipment	466,780	265,039	-	-	731,819	83,980	31,119	-	114,999	616,820
Water Mains & Purification	2,228,283	90,601	-	-	2,318,884	674,780	150,016	-	824,796	1,494,088
Water Reservoirs	6,794,688	-	-	-	6,794,688	2,033,124	339,735	-	2,372,859	4,421,829
Water Meters	40,046	139,825	-	-	179,871	-	5,839	-	5,839	174,032
Water Mains	17,290,305	3,722,354	-	-	21,012,659	3,880,383	870,300	-	4,750,683	16,261,977
Landfill Sites	62,200	-	-	-	62,200	6,220	3,110	-	9,330	52,870
	88,802,130	8,355,043	6,977,488	0	104,134,661	21,695,494	4,804,105	0	26,499,599	77,635,062
Community Assets										
Parks and Gardens	6,056,192	100,995	-	-	6,157,187	2,836,751	173,037	-	3,009,788	3,147,399
Libraries	1,768,128	-	-	-	1,768,128	1,309,067	18,938	-	1,328,005	440,123
Recreation Grounds	5,645,982	57,848	-	-	5,703,830	840,722	282,299	-	1,123,021	4,580,809
Civic Buildings	2,423,786	12,038	-	-	2,435,824	824,626	58,313	-	882,939	1,552,885
	15,894,088	170,881	0	0	16,064,969	5,811,166	532,586	0	6,343,752	9,721,216
Heritage Assets										
	0	0	0	0	0	0	0	0	0	0
Total carried forward	136,937,631	9,020,936	6,977,488	0	152,936,055	34,250,430	5,895,313	0	40,145,743	112,790,312

* Includes correction of error referred to in Note 30.

APPENDIX B
BERGRIVIER MUNICIPALITY
ANALYSIS OF PROPERTY PLANT AND EQUIPMENT AS AT 30 JUNE 2008

	Cost					Accumulated Depreciation				Carrying Value
	Opening Balance	Additions	Under Construction	Disposals	Closing Balance	Opening Balance	Additions	Disposals	Closing Balance	
Total brought forward	136,937,631	9,020,936	8,977,488	0	152,936,055	34,250,430	5,895,313	0	40,145,743	112,790,312
Leased Assets										
Office Equipment (Lease)	1,140,000	-	-	-	1,140,000	613,373	-	-	613,373	526,627
	1,140,000	0	0	0	1,140,000	613,373	0	0	613,373	526,627
Other Assets										
Landfil Sites	-	-	-	-	0	-	-	-	0	0
Office Equipment	8,549,426	1,228,352	-	462,394	9,315,384	4,929,556	695,399	199,321	5,425,633	3,889,751
Furniture and Fittings	145,000	127,190	-	-	272,190	133,000	20,928	-	153,928	118,262
Bins and Containers	17,256	21,185	-	-	38,441	-	3,648	-	3,648	34,793
Emergency equipment	116,858	17,630	-	-	134,488	20,000	15,372	-	35,372	99,116
Motor Vehicles	5,019,716	2,005,841	-	1,535,497	5,490,060	3,061,239	585,463	1,107,646	2,538,856	2,951,205
Fire Engines	320,000	-	-	320,000	0	129,333	-	129,333	-0	0
Refuse Tankers	857,209	-	-	35,000	822,209	647,592	59,173	35,000	671,765	150,444
Computer Equipment	513,293	51,894	-	286,513	278,674	505,293	10,586	286,513	229,366	49,308
Councillors Regalia	-	-	-	-	0	-	-	-	-	-
Conservancy Tankers	-	-	-	-	0	-	-	-	-	-
Water crafts	-	-	-	-	0	-	-	-	-	-
	15,538,758	3,452,092	0	2,639,404	16,351,446	9,426,013	1,390,569	1,758,013	9,058,568	7,292,878
Total	##########	12,473,029	8,977,488	2,639,404	170,427,502	44,289,816	7,285,882	1,758,013	49,817,684	120,609,817

APPENDIX C
BERGRIVIER MUNICIPALITY
SEGMENTAL ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT AS AT 30 JUNE 2008

	Cost					Accumulated Depreciation				Carrying
	Opening Balance	Additions	Under Construction	Disposals	Closing Balance	Opening Balance	Additions	Disposals	Closing Balance	Value
Executive & Council	3,791,950	304,680	-	91,810	4,004,820	2,838,774	137,965	50,518	2,926,220	1,078,600
Finance & Admin	33,195,713	632,678	-	416,193	33,412,197	9,371,498	652,965	374,427	9,650,036	23,762,162
Planning & Development	-	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-	-
Community & Social Services	5,163,067	163,446	-	54,267	5,272,246	2,874,324	163,796	54,267	2,983,853	2,288,394
Housing	279,630	26,850	-	-	306,480	230,757	2,065	-	232,822	73,658
Public Safety	1,465,145	340,406	-	543,649	1,261,902	884,743	124,136	352,982	655,897	606,005
Sport & Recreation	13,701,823	906,766	-	242,081	14,366,508	2,775,515	681,836	171,413	3,285,938	11,080,570
Environmental Protection	-	-	-	-	-	-	-	-	-	-
Waste Management	13,421,238	1,101,454	-	101,782	14,420,910	4,708,772	698,377	61,713	5,345,436	9,075,474
Road Transport	27,930,839	3,558,512	4,426,584	678,608	35,237,328	8,765,106	1,966,501	429,677	10,302,930	24,934,398
Water	27,152,369	4,158,294	-	303,660	31,007,003	6,879,791	1,465,162	200,972	8,144,001	22,863,002
Electricity	27,514,615	1,279,943	2,550,904	207,354	31,138,107	4,959,536	1,393,061	62,045	6,290,552	24,847,555
Other	-	-	-	-	-	-	-	-	-	-
TOTAL	153,616,389	12,473,029	6,977,488	2,639,404	170,427,502	44,289,816	7,285,882	1,758,014	49,817,684	120,609,817

APPENDIX D
BERGRIVIER MUNICIPALITY
SEGMENTAL STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2008

2007 Actual Income R	2007 Actual Expenditure R	2007 Surplus/ (Deficit) R		2008 Actual Income R	2008 Actual Expenditure R	2008 Surplus/ (Deficit) R
18,283,106	14,738,396	3,544,710	Executive & Council	9,451,434	12,439,316	(2,987,883)
24,575,154	12,386,764	12,188,390	Finance & Admin	29,368,950	14,942,191	14,426,759
647,992	1,295,346	(647,354)	Planning & Development	893,971	1,412,862	(518,891)
-	-	-	Health	-	-	-
209,288	2,162,097	(1,952,809)	Community & Social Services	414,842	2,471,346	(2,056,504)
52,181	421,606	(369,425)	Housing	4,129,780	267,443	3,862,337
2,228,878	2,889,224	(660,346)	Public Safety	1,829,691	2,197,640	(367,948)
1,965,658	5,947,317	(3,981,659)	Sport & Recreation	4,144,054	8,400,026	(4,255,972)
-	-	-	Environmental Protection	-	-	-
6,930,924	7,443,440	(512,516)	Waste Management	9,697,117	10,406,387	(709,270)
24,234	9,069,668	(9,045,434)	Road Transport	5,583,468	16,944,150	(11,360,682)
8,801,841	7,489,640	1,312,201	Water	9,967,766	9,030,351	937,415
28,166,699	23,453,222	4,713,477	Electricity	32,032,797	28,527,333	3,505,464
-	-	-	Other	-	-	-
91,885,955	87,296,720	4,589,235	Sub Total	107,513,869	107,039,045	474,823
-	(5,685,365)	5,685,365	Less Inter-Dep Charges	-	(8,104,200)	8,104,200
91,885,955	**81,611,355**	**10,274,600**	**Total**	**107,513,869**	**98,934,845**	**8,579,023**
		-	Add: Share of Associate			-
		10,274,600				**8,579,023**

APPENDIX E(1)
BERGRIVIER MUNICIPALITY
REVENUE AND EXPENDITURE
ACTUAL VERSUS BUDGET FOR THE YEAR ENDED 30 JUNE 2008

REVENUE	2008 Actual (R)	2008 Budget (R)	2008 Variance (R)	2008 Variance (%)	Explanation of Significant Variances versus Budget
Property rates	21,145,965	21,600,000	(454,035)	-2.10%	
Property rates - penalties imposed and collection charge	-	-	-	0.00%	
Service charges	45,284,276	49,008,000	(3,723,724)	-7.60%	
Rental of facilities and equipment	2,060,591	2,187,675	(127,084)	-5.81%	
Interest earned - external investments	4,162,345	3,000,000	1,162,345	38.74%	
Interest earned - outstanding debtors	1,958,468	1,500,000	458,468	30.56%	
Fines	829,557	1,004,000	(174,443)	-17.37%	
Licences and permits	1,116,655	1,024,000	92,655	9.05%	
Income for agency services	1,002,904	1,223,000	(220,096)	-18.00%	
Government grants and subsidies	24,716,560	27,191,000	(2,474,440)	-9.10%	
Other income	4,919,939	7,294,351	(2,374,412)	-32.55%	
Gain on the disposal of assets	315,609	-	315,609	0.00%	
Total Revenue	***107,513,869***	***115,032,026***	***(7,518,157)***	**-6.54%**	
EXPENDITURE					
Executive & Council	12,439,316	12,060,882	378,435	3.14%	
Finance & Admin	14,942,191	15,066,735	(124,544)	-0.83%	
Planning & Development	1,412,862	1,464,943	(52,081)	-3.56%	
Health	-	-	-	0.00%	
Community & Social Services	2,471,346	2,599,977	(128,631)	-4.95%	
Housing	257,443	252,830	14,613	5.78%	
Public Safety	2,197,640	2,806,962	(609,323)	-21.71%	
Sport & Recreation	8,400,026	6,187,153	2,212,873	35.77%	
Environmental Protection	-	-	-	0.00%	
Waste Management	10,406,387	9,712,053	694,334	7.15%	
Road Transport	16,944,150	12,124,279	4,819,871	39.75%	
Water	9,030,351	9,087,034	(56,683)	-0.62%	
Electricity	28,527,333	27,487,862	1,039,471	3.78%	
Other	-	-	-	0.00%	
Less : Intercepartmental Charges	(8,104,200)	(8,104,700)	500	-0.01%	
Total Expenditure	***98,934,845***	***90,746,010***	***8,188,835***	**9.02%**	
NET SURPLUS/(DEFICIT) FOR THE YEAR	***8,579,023***	***24,286,016***	***(15,706,992)***	**-64.68%**	

APPENDIX E(2)
BERGRIVIER MUNICIPALITY
ACTUAL VERSUS BUDGET FOR THE YEAR ENDED 30 JUNE 2008
ACGUISITION OF PROPERTY, PLANT AND EQUIPMENT & INTANGABLE ASSETS

	2008 Actual	2008 Under Construction	2008 Total Additions	2008 Budget	2008 Variance	2008 Variance	Explanation of Significant Variances versus Budget
	R	R	R	R	R	%	
Executive & Council	304,680	-	304,680	322,000	(17,320)	-5.38%	
Finance & Admin	632,578	-	632,678	4,903,900	(4,271,222)	-87.10%	
Planning & Development	-	-	-	15,800	(15,800)	-100.00%	
Health	-	-	-	-	-	0.00%	
Community & Social Services	163,446	-	163,446	172,400	(8,954)	-5.19%	
Housing	26,850	-	26,850	5,404,000	(5,377,150)	-99.50%	
Public Safety	340,406	-	340,406	600,000	(259,594)	-43.27%	
Sport & Recreation	906,766	-	906,766	5,605,000	(4,698,234)	-83.82%	
Environmental Protection	-	-	-	-	-	0.00%	
Waste Management	1,101,454	-	1,101,454	6,506,300	(5,404,846)	-83.07%	
Road Transport	3,558,512	4,426,584	7,985,097	2,932,900	5,052,197	172.26%	
Water	4,158,294	-	4,158,294	7,492,500	(3,334,206)	-44.50%	
Electricity	1,279,943	2,550,904	3,830,846	4,124,000	(293,154)	-7.11%	
Other	-	-	-	-	-	0.00%	
Total	**12,473,029**	**6,977,488**	**19,450,517**	**38,078,800**	**(18,628,283)**	-48.92%	

APPENDIX F
BERGRIVIER MUNICIPALITY
DISCLOSURES OF GRANTS AND SUBSIDIES: SECTION 123 OF MFMA, ACT 56 OF 2003

Grant Description	Balance at 30 June 2007	Contributions during year	Interest on Investments	Other Income	Operating expenditure during year Transferred to Revenue	Capital expenditure during year Transferred to Revenue	Balance at 30 June 2008
	R	R		R	R	R	R
Housing Mossvale	40,426	0	0	0	0	0	40,426
GIS Master plan	14,334	0	0	0	0	0	14,334
Misbembane	264,376	0	0	0	264,376	0	(0)
Electricity Master plan	31,697	0	0	0	0	0	31,697
Coastal Area	40,490	0	0	0	0	0	40,490
LOTTO: Sport fields Berglof	500,000	0	0	0	0	0	500,000
WDM Performance Management	40,000	0	0	0	0	0	40,000
PIMS: Zoning Scheme	161,892	0	0	0	0	0	161,892
Lotto : Plant Trees	207,183	0	0	0	0	0	207,183
R O R	95,808	150,000	0	0	138,800	0	108,008
Finance Management Grant	402,936	500,000	0	0	308,184	0	806,136
Drought relief	0	945,000	0	0	0	0	945,000
Inflora Piketberg	2,570	0	0	0	0	0	2,570
LGMF Contribution: WDM	32,079	0	0	0	32,079	0	(0)
SETA training fund	113,218	72,680	0	0	47,375	0	138,524
Land Mebre Klipkesdorp	7,790	0	0	0	0	0	7,790
Pump Station Expanding	24,177	0	0	0	0	0	24,177
Build taxi rank	828,092	0	0	0	0	0	828,092
Sport Fields: EK	593,124	0	0	0	104,019	0	489,106
Sport Fields: PB	616,578	0	0	0	616,578	0	0
Sport Fields: AR	605,953	0	0	0	109,940	0	696,013
Groenekloof - development	112,922	112,437	0	0	0	0	225,359
Flood damage	0	960,000	0	0	679,151	0	280,849
MIG	0	734,000	0	0	330,480	0	403,520
Erf 1011 Eendekuil	0	1,000,000	0	0	0	961,357	38,643
Construction Sidewalks	0	450,000	0	0	0	331,006	118,996
Refuse transfer station	0	931,000	0	0	0	0	931,000
Unspent conditional grants and receipts - End of year	5,314,612	5,855,120	-	-	2,817,270	1,292,362	6,960,094
Noordhoek Phase 3	32,091	0	0	0	32,091	0	-
Eselfontein Housing	2,827	0	0	0	2,827	0	-
Klipkesdorp Housing	28,881	0	0	0	28,881	0	-
Disaster Management	17,011	0	0	0	17,011	0	-
Health Trust	9,600	0	0	0	9,600	0	-
Environmental Clean up	548,738	0	0	0	548,738	0	-
Road Maintenance	154,708	0	0	0	154,708	0	-
LOTTO Aurora	320,244	0	0	0	320,244	0	-
Ward Committees WDM	1,745	0	0	0	1,745	0	-
Wittewater: Historical Housing	30,804	0	0	0	30,804	0	-
Milpark Disaster Fund	1,855	0	0	0	1,855	0	-
Bulk Drgs & Pavements	809,857	0	0	0	809,857	0	-
Upgrading of Sport Fields	183,027	0	0	0	183,027	0	-
Unpaid conditional grants and receipts - End of year	2,167,058	-	-	-	2,167,058	-	-
Unspent conditional grants and receipts - beginning of year	5,314,612	5,855,120	-	-	2,817,270	1,292,362	6,960,094
Unpaid conditional grants and receipts - beginning of year	2,167,058			-	2,167,058	-	-
	3,047,554	5,855,120	-	-	4,984,334.50	1,292,362	6,960,094